Clauses 1 to 84.

The question that clauses 1 to 84 do stand part of the Bill was put to vote and carried.

The clauses were added to the Bill.

The Preamble was then put and carried.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): I beg to move that the Bill as settled by the Council be taken up at a subsequent meeting and passed.

MR. R. NILAKANTA PILLAI (*Financial Secretary to Government*): I second it.

The motion was carried.

THE TRAVANCORE CHITTIES REGULATION AMENDMENT BILL.

DEPUTY PRESIDENT: Dr. Kunjan Pillai was addressing the House on the last occasion when we were discussing the Bill. He will now continue.

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*): If I remember right, Sir, I referred to the observations of some members that already there was provision for the postponement of chitties, in the present Regulation itself and that therefore the Regulation need not be amended for that purpose. Anyhow, Sir, if that be so, it clearly show that the principle of the Bill before the House does not go against the principle of the Regulation now in force.

Sir, in the course of the evidence that was collected by the Economic Depression Enquiry Committee, doubt was expressed by several witnesses about the possibility of chitties being postponed under the existing Regulation. The main object of the present Bill is, I think, to clear that doubt and to make a specific provision enabling the postponement of chitties. The question as to what proportion of the subscribers should agree for the postponement if it is to be given effect to is a matter of detail. The Law Member has provided that a majority of two-thirds, *by number*, of the subscribers should suffice for the chitty being postponed. Some of my friends on the other side want a three-fourths majority, *by value*, to be insisted upon. Whether it should be two-thirds or three-fourths, whether it should be by number or by value, it is all a question of detail. I may say that the majority of witnesses examined by the Economic Depression Enquiry Committee were in favour of a majority by number rather than by value. The reason they gave was this. In most chitties, the subscribers would be scattered all over the country and they might be indifferent to meetings, convened by the foremen for the purposes of postponement, even if they were given timely notice. They may, in most cases, even forget all about the meeting. Many might not turn up for the meeting which is to decide whether the chitty is to be postponed or not. The result would be that a few interested subscribers may carry their object for the mere reason that they happen to be owners of three-fourths of the value of the chitty. On the other hand, if a majority by number is

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[Rao Sahib Dr. N. Kunjan Pillai.]

insisted upon, postponement cannot take place unless most of the subscribers actuallly attend the meeting and give their assent to the postponement. Further, as the Chief Secretary tells me, it is doubtful whether the present Regulation allows voting by proxy. Even if it allows it, very few people will take advantage of the provision. The object of the provision now under consideration is to enable the foreman to give a chance to the subscribers to meet together and decide whether the chitty should be postponed or not; and the Law Member has provided that the chitty can be postponed by a majority of two-thirds, in number, of the subscribers.

MR A. NARAYANA PILLAI (*Vaikam*): ചിട്ടിപിടിച്ചവരെസംബന്ധിച്ചോ പിടിക്കാത്തവരെ സംബന്ധിച്ചോ ഇപ്പോൾ പറയുന്നതു്?

RAO SAHIB DR. N. KUNJAN PILLI (*Census Commissioner*): I will come to that point presently.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Or, was it only a represention made by the foreman?

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*): The witnesses who gave evidence consisted mostly of subscribers; and as I said on the last occasion, the witnesses who gave evidence against the postponement happened to be, mostly, lawyers. I do not know why.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Does that class exclude either the foreman or the subscribers?

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*): Probably they were subscribers. I know for a fact that they were lawyers. I do not know whether they were subscribers or foremen.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Perhaps, they were not questioned on that matter?

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*): They were not.

A large majority of the witnesses were for postponement, and, I hold, Sir, that postponement is as advantageous to the non-prized subscribers as it is to the prized subscribers. This is my reason. Let us take the case of a chitty of 20 tickets, owned by 20 subscribers, of which 10 have been prized and 10 have not been prized. During the one year for which the chitty is to be postponed, ordinarily, 2 of the non-prized subscribers can prize their shares. But, now, on account of the depression, which is the main cause of the present Bill, even if they prize their shares they cannot hope to get money in the near future: and the remaining eight will, any way, have to continue to pay their subscriptions which it is admittedly very difficult for them to do in these days. And, if they do not pay in time, under the *variola* they could get the money already paid only at the termination of the chitty, and that without interest. Provision is made in the Bill for the payment of interest by the prized subscribers and this will be distributed among non-prized subscribers. The Bill is, therefore, advantageous to the prized as well as to the non-prized subscribers.

Mr Govindan said that many of the chitties were working satisfactorily. I think, Sir, he is speaking of chitties in towns where

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most of the subscribers are either Government Officers or rich professional men. In the rural parts, most of the chitties, not less than 75 per cent. of them, have collapsed.

All things considered, it is only fair that some facilities are given to the foremen and to the subscribers to come to a decision as to whether it is necessary to postpone their chitties or not. If, by a majority, they decide that the chitty must be postponed they must be allowed to do so. I therefore support the principle of the Bill.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : Is it the member's opinion that postponement may be allowed with the consent of a majority of two-thirds *by number* ?

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*) : That is my opinion.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : Does the member realise that the provision in the Bill refers only to two-thirds of the subscribers present ?

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*) : I have explained that. It will not be possible for all the subscribers to attend the meeting. Hence the provision.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : So that if out of 10 or 12 subscribers, for instance, only 3 are present, 2 of them can postpone the chitty ?

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*) : If after receiving a notice of the meeting specifying its object only 3 out of the 10 or 20 subscribers attend it the rest must be bound by the decision of the two out three present.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : So, the member is of opinion that sufficient safeguards must be provided for the proper service of notice ?

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*) : You can make any provision you like with regard to that.

MR. K. GEORGE (*Chief Secretary to Government*) : What about attendance by proxy ?

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*) : You can make provision for that also.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : What was the report of the President of the Economic Depression Enquiry Committee on this question ?

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*) : I have not got the report of the Committee with me just now. We argued both sides of the question.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : Is the member aware of representations made in the Assembly that chitties should not be postponed ?

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*) : I am not aware of any such representation ?

MR. K. P. ABRAHAM (*Muvattupuzha* cum *Thodupuzha*) : Is the member aware that a similar provision has been made in Cochin ?

RAO SAHIB DR. N. KUNJAN PILLAI (*Census Commissioner*) : Yes ; I read of it in the papers.

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MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*): Sir, in making a few observations on the principle of the Bill I wish to make one or two suggestions.

With regard to the postponement of chitties, as was observed by Dr. Kunjan Pillai, I think it will benefit the non-prized subscribers also. The non-prized subscribers can be prejudicially affected only if they are in a minority, because only a majority can postpone the chitty. Even if the chitty is not postponed, as was pointed out by Dr. Kunjan Pillai, only one or two of the subscribers can bid and they may not get the prize money. The others will have to pay. For the sake of a few we cannot forget the general economic condition in the country. In the interest of the larger section of the people and of our economic stability, I think it is better that we make a clear provision for the postponement of chitties.

With regard to the kurichitties, in the case of those that have already been started, money has been collected by the organisers, and they have the money now. It is not proper that we enact a measure which would prevent them from distributing the money they have collected. Provision may therefore be made that in the case of moneys already collected, the organisers may be allowed to continue the chitties so that the subscribers may not be unnecessarily deprived of their chances of winning prizes.

With these words, I support the main principle of the Bill.

MR. K. P. MADHAVAN PILLAI (*Shertallai*): I am of opinion that the bill must be supported in its entirety. As regards postponement of the chitty it has been mentioned in the statement of objects and reasons that it was at the instance of the Economic Development Board that the suggestion was taken by the Law Member and that was especially in view of the prevailing economic distress. This economic distress is not particularly affecting a particular section of the people. It equally applies to a foreman, prized subscriber or non-prized subscriber. The prized subscribers would ask for a postponement of the chitty if they get only a majority which is possible only at the close of the chitty. As far as the non-prized subscribers are concerned, they could get a majority. Their opinion of course is not always in favour of postponement of the chitty so that the argument that the foreman at his own instance would ask for a postponement of the chitty cannot always hold good.

So far as the kurichitties are concerned, I am firmly of opinion that it must not be encouraged. The transactions carried on by them are mostly in the nature of gambling transactions, and are against public policy. It is now high time that the Legislature must step in and declare these kurichitties illegal. With these words I support the Bill before the House.

MR. K. GOPALAKRISHNA PILLAI (*Parur*): I am one of those people who believe that *it is better late than never*. It is very necessary to find a case for the depression that is prevailing in the country, as early as possible. Even in Karkatakam 1106 I brought to the notice of the

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House that postponement of chitties is absolutely necessary. Since then, depression has not improved. It has not in any way changed. The other States have passed legislation postponing chitties so as to enable the people of those States to tide over the difficulties and it is therefore up to us, at least now, to take up the question and pass legislation which would enable the foreman to postpone chitties.

MR. E. V. KRISHNA PILLAI (*Kottarakara* cum *Kunnattur*) : May I know from the member whether we have not familiarised ourselves with the depression that is now prevailing and made the necessary adjustments?

MR. K. GOPLAKRISHNA PILLAI (*Parur*) : If I am permitted by the Chair to say a word about the economic depression now prevailing in the country I shall answer my friend. I say this because I may be ruled out of order at any moment. We cannot get ourselves accustomed to the conditions at present. I cannot say that we have ourselves made economic adjustments. It is growing daily and we are becoming worse from day to day. Those who live in towns, especially in the capital of the State, cannot realise how difficult it is for people in the mofussil to get on in their ordinary life. In towns a good amount of money is being drawn out from the Treasury and is exchanged between the manufacturer and trader and men who own raw materials. But in country parts lack of money prevents people from paying anything. Only those who live in the capital receive the money from the treasury and say that depression has disappeared and that times are better. If you want to have a correct idea of the situation you must go away from the capital to the mofussil and learn from the villagers about the sufferings undergone by them. Chitties are being conducted by townsfolk everyday and they are collapsing. Similarly such things happen in village parts also.

MR. E. V. KRISHNA PILLAI (*Kottarakara* cum *Kunnattur*) : Is it not a fact that the sense of obligation has increased between the persons of the town and the village in regard to the chitty transactions?

MR. K. GOPLAKRISHNA PILLAI (*Parur*) : If times improve they will be able to meet their responsibilities. Kurichitties are a perfect nuisance. Foremen get money by deceipt and misrepresentation from the poor people; my opinion is that such chitties should be stopped at once. With these words I support the motion.

MR. A. NARAYANA PILLAI (*Vaikam*): ഈ ബില്ലിന്റെ തത്വത്തെഞാൻ അനുകൂലിക്കുന്നു. ചിട്ടിയുടെ കാലാവധി മാറാമെന്നു വ്യവസ്ഥയുണ്ടായാൽ പിടിക്കാത്ത ചിറാളന് അതുകൊണ്ടു യാതൊരു ലാഭവും ഉണ്ടാകയില്ല. ഈ പുതിയ ബില്ലിൽ പിടിച്ച ചിറാളരിൽ നിന്നും അരുപ്പണം വാതമുള്ള പലിശ ഈടാക്കി അതിനെ പിടിക്കാത്ത ചിറാളുക്കു വീതിച്ചുകൊടുക്കണമെന്നു പറയുന്നുണ്ട്. ഇതു പിടിക്കാത്ത ചിറാളന്മാക്കു വലിയ രക്ഷയാണ്. ഇതു കൂടുതൽ പ്രയോജനകരവുമാണ്.

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[Mr. A. Narayana Pillai.]

മാസം തോറും പിരിച്ചു വരുന്ന ഒരുതരം കുറിച്ചിട്ടികൾ ഇപ്പോൾ നടന്നു വരുന്നുണ്ട്. പത്തും പന്ത്രണ്ടും മാസം ഈ വിധത്തിൽ പണം പിരിച്ചശേഷം ചിറ്റാളനു പണം കൊടുക്കാതിരുന്നാൽ മുമ്പന്റെ പേക്ക് ഒരു ചിറ്റാളൻ അന്യായം കൊടുത്തു. ഈ വിധത്തിലുള്ള ചിട്ടി അസാധുവാണെന്ന ഒറ്റ കാരണത്താൽ സിവിൽ കോടതിയിൽ പണം കൊടുത്തില്ല. അതിനാൽ ക്രിമിനൽ കോടതിയിൽ പോയി നിവൃത്തിയുണ്ടാക്കാമെന്നു വിചാരിച്ചു ക്രിമിനൽകേസ് കൊടുത്തു. ഈ സംഗതിക്ക് അവിടെയും നിയമം ഇല്ല. സിവിൽ കോടതിയിൽ പോയാൽ പണം തിരിയെ കൊടുക്കേണ്ട. അങ്ങനെ കൊടുക്കാതിരുന്നാൽ ക്രിമിനൽ കോടതിയിൽ ശിക്ഷയും ഇല്ല. ഇങ്ങനെ രണ്ടു കോടതിക്കും നടപടി വാൻ നിവൃത്തിയില്ലാത്ത ഈ തരം കുറിച്ചിട്ടികളെ നിയന്ത്രിക്കുന്നതിന് എത്രയും വേഗത്തിൽ ഒരു നിബന്ധന ഉണ്ടാക്കി വയ്ക്കേണ്ടതു് അത്യാവശ്യമാണെന്നു പ്രസ്താവിച്ചു കൊണ്ട് എന്റെ പ്രസംഗം അവസാനിപ്പിച്ചുകൊള്ളുന്നു.

MR. S. CHATTAHATHA KARAYALAR (*Pattanapuram* cum *Shencotta*): Sir, section 52 is a new section. I cannot agree to the principle of postponement, if it does not benefit all classes of people concerned. In chitties there are prized and non-prized subscribers. If by postponement it will benefit both these classes of people, I would unhesitatingly support the principle underlying that. From the discussions we have had, it is clear that, at any rate, there is difference of opinion as to whether such postponement would be for the benefit of non-prized subscribers. Evidently, it is for the benefit of prized subscribers. As for the benefit of the non-prized subscribers, it has become a problem and there is clear divergence of opinion on the point. Even apart from that, as was suggested by some of the members of the Economic Depression Enquiry Committee which advocated the postponement of the chitties, it is high time that we adjust our finances to suit the conditions prevailing in the country. We must, as resonable men, be deemed to have adjusted our demands and other things to suit conditions. I do not agree to the principle involved in Section 52.

As for the principle involved in Section 53, which relates to kuri-chitties I would say that the kurichitties are transactions in the nature of lotteries. The principle on which lotteries are prohibited ought to apply equally well to the kurichitty also. As I understand it lotteries beget a spirit of speculation or gambling which is productive of evil consequences to the community at large. A similar spirit is begotten by kurichitties. For example, there is an advertisement which says that a prize of 10,000 rupees can be had for 8 annas. Will it not produce the same effect on the mentality of people as the advertisement of a lottery? So, we should certainly raise our protest

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against such transactions and ought not to give legislative sanction for such transactions.

Transactions of the nature of kurichitties are already void under the existing law. If we do not give sanction to the proposed amendment we would only be giving sanction for the continuance of these transactions. We will be, however, moving in the right direction if we implement the provisions of the bill already existing by enacting a measure of this kind. With these few words I support the principle involved herein.

MR. N. K. KRISHNA PILLAI (*Ney yattinkara*): I would support the motion with a few reservations so far as provisions relating to kurichitties are concerned. The kurichitties already existing and which have not been prized should not be affected by the present amendment bill. Some of the previous speakers have given the reasons why such an enactment should not be passed. The only point I would suggest now is that though these transactions, even according to the existing legislation, are treated as void, so long as they have not been made illegal the poor subscribers who are unknowingly entering into transactions with expectations of making some benefit out of them should not be so deplorably disappointed as to get nothing out of such transactions. Even in Provident Insurance Bill the time given is six months, for depositing money. That provision may be extended to the existing kurichitties so that the chitty managers may get the benefit of closing up their concern at least within the period of six months. If some such provision is enacted and if some safeguards relating to kurichitties are added in the amending bill, I have no objection to give my consent to the motion before the House.

So far as the provision regarding extending the term of chitties proper for one year is concerned I have no serious objection to that.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Government could postpone the period from time to time. That is the provision laid down in the Bill. Is it the member's view that only one extension alone is to be granted by Government to a foreman for postponing his chitty?

MR. N. K. KRISHNA PILLAI (*Neyyattinkara*): In view of the economic depression it is possible that Government may take the initiative in regard to postponement in the matter.

MR. R. NILAKANTA PILLAI (*Financial Secretary to Government*): Is there any depression now?

MR. N. K. KRISHNA PILLAI (*Neyyattinkara*): It conitnues even now.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Suppose the present depression does not come to a close this year or for that matter within the next ten years, is it the member's opinion that the chitties may be postponed for ten years?

MR. N. K. KRISHNA PILLAI (*Neyyattinkara*): There is a porvision made in the bill that if two-thirds of the number of subscribers present at the meeting decide to postpone the chitty, it may be so done.

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MR. K. KUNJUKRISHNA PILLAI (*Quilon*): After postponement for one year, is it necessary again to get the agreement of the chitty subscribers for further postponement, or can the Government postpone it?

MR. N. K. KRISHNA PILLAI (*Neyyattinkara*): Subscribers must come to some definite agreement as regards postponement. That is all my point.

MR. A. THANU PILLAI (*Trivandrum*): Is it not likely that depression may deepen hereafter?

MR. N. K. KRISHNA PILLAI (*Neyyattinkara*): So far as conditions at present are concerned, depression is not likely to disappear. At east for two or three years, conditions will not improve.

MR. R. NILAKANTA PILLAI (*Financial Secretary to Government*): What is the basis for that statement?

MR. N. K. KRISHNA PILLAI (*Neyyattinkara*): My own experience.

MR. K. MADHAVAN PILLAI (*Trivandrum* cum *Neduvangad*): Does not the law vest the discretion in Government either to postpone or not to postpone after the first year? Is it obligatory on the part of Government to extend it after one year?

MR. N. K. KRISHNA PILLAI (*Neyyattinkara*): It is not obligatory.

MR. S. KRISHNA PILLAI (*Karunagapalli*): In a matter like this, is it necessary that discretion should be vested in Government to postpone chitties?

MR. N. K. KRISHNA PILLAI (*Neyyattinkara*): It is left to the discretion of two-thirds of the number of subscribers present at the meeting.

† MR. RAMA VARMA RAJA (*Edavagai*): ചിട്ടിക്കു കാലാവധിനീട്ടിക്കൊടുക്കാമെന്നുള്ള അഭിപ്രായത്തെ ഞാൻ എതിർക്കുന്നു. എന്റെ സ്നേഹിതൻ മിസ്റ്റർ കരയാളർ പറഞ്ഞതു പോലെ ചിട്ടിക്ക് എക്സറൻഷൻ കൊടുക്കുന്നതുകൊണ്ടു പിടിക്കാത്ത ചിറാളുക്കു യാതൊരുണ്മയുമില്ല. ക്ഷാമംകൊണ്ടു പണം പിരിയാത്തതിനാലാണ് എക്സ്റൻഷൻ വേണമെന്നു പറയുന്നതു്. എന്നാൽ പിടിക്കാത്ത ചിറാളർ വച്ചിരിക്കുന്ന പണത്തിനു യാതൊരു പലിശയും കിട്ടുന്നില്ല. പിടിച്ച ചിറാളരിൽ നിന്നും അരപ്പണപലിശ ഈടാക്കി പിടിക്കാത്തവക്കു വീതിച്ചു കൊടുക്കണമെന്നാണു് ഇപ്പോൾ ബില്ലിൽ നിശ്ചയിച്ചിരിക്കുന്നതു്. അങ്ങനെ കിട്ടുമെങ്കിലും അതു് വളരെ ദുരമാണു്. ആ പലിശ, വച്ച പണത്തിനു പ്രതിഫലമായിവരികയില്ല. കുറെമുമ്പു് ലൈഫ് ഇൻഷ്വറൻസു് കമ്പനിയെ സംബന്ധിച്ചു ഇവിടെ വാദപ്രതിവാദം നടന്നപ്പോൾ കറാത്തുപാ കൊടുത്ത എത്രയോ ആളുകൾക്കു് അതു നഷ്ടപ്പെട്ടതായിപറഞ്ഞു. അതിനു പ്രതിവിധി സമ്പാദിക്കാനായി ശക്തിമത്തായ ചില ഏർപ്പാടുകൾ ഉണ്ടാക്കിവച്ചു. ചിറാളൻ മാസംതോറും

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പത്തും ഇരുപതും മുപ്പതും രൂപാവീതം ചിട്ടിക്കു വയ്ക്കുന്നുണ്ടു്. അതുകൊണ്ടു് അരപ്പലിശ ക്രമത്തിനു പിടിച്ചു ചിറാളരിൽ നിന്നും ഈടാക്കി കൊടുക്കാമെന്നു പറയുന്നതുകൊണ്ടു യാതൊരു പലിശയും കിട്ടുകയില്ല. അതുകൊണ്ടു് അതിനെ തടയാതിരിക്കുവാൻ നിവൃത്തി യില്ല. ഗവണ്മെൻറുവാദത്തോടുകൂടി, ആവശ്യമുണ്ടെങ്കിൽ കാല സംഖ്യ പിന്നെയും നീട്ടാമെന്നു് പറയുന്നുണ്ടു്. അങ്ങനെയുള്ള ഗവണ്മെ ൻറുവാദം അതുടെ അടുത്തുനിന്നും മേടിക്കണമെന്നുള്ളതു് എനിക്കു മനസിലാകുന്നില്ല. അതിനാൽ ഗവണ്മെൻറുവാദം വാങ്ങിക്കേണ്ടതു് ആരോടാണെന്നുള്ള വിവരം ലാമെമ്പർ പറഞ്ഞു മനസിലാക്കി തരണം. ഇപ്പോഴത്തെ സാമ്പത്തികാധഃപതനം കൊണ്ടു ചിട്ടി മാറി വയ്ക്കാ മെന്നുവച്ചാൽ അടുത്ത ഒരു കാലത്തു് ഈ സാമ്പത്തികാധഃപതനം തീരുമെന്നു വിചാരിക്കാൻ ന്യായം കാണുന്നില്ല. അപ്പോഴും പിന്നെയും പിന്നെയും ചിട്ടി നീട്ടിക്കൊണ്ടു പോകേണ്ടിവരും. അതിനാൽ ചിട്ടി യുടെ കാലാവധി നീട്ടിക്കൊടുക്കണമെന്നുള്ള അഭിപ്രായത്തോടു ഞാൻ യോജിക്കുന്നില്ല.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Sir, as I said at the very outset, the Bill involves two distinct principles, having no connection with each other. One is with regard to the postponment of chitties the special provisions devised for the postponement of chitties if the majority vote is in favour of it I know that there is a wide difference of opinion with regard to this not only on the other side of the House but also on this side. Havin regard to that fact, on that principle, the official members will vote according to their own personal convictions.

In regard to the other, it seems to me, that it is a matter in which there can be no difference of opinion. As the law stands to day, the transactions in question are void. The only question is whether void transactions should be allowed to be conducted with impunity. Presumably, one predominent reason for the existence of these void transaction today is that there is no penal clause in the Regulation. All that I propose is that a penal clause should be added. What those void transactions are are given in the Regulation itself and I am prepared to accept the section in the Regulation. I want only a penal clause.

DEPUTY PRESIDENT: The motion before the House is whether the principles of the Bill should be accepted by the House or not. Considering that the amending Bill involves two principles which are entirely distinct from each other, I think it is desirable that votes are taken separately as regards each of these points and afterwards the whole motion as regards the amending Bill will be placed before the House, of course, omitting any of the points on which the majority of the House, has voted against and then proceed to adopt the procedure laid down in rule 72 of the Council Rules.

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[Deputy President]

I would now desire you to consider the first portion of the Bill, that is as regards the postponement of chitties.

MR. RAMA VARMA RAJA (*Edavagai*) ഇതു രണ്ടും പ്രത്യേകം പ്രത്യേകമായിട്ടാണോ വോട്ടിനിടുന്നതു്?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): അതെ.

The principle contained in the first portion of the Bill was put to vote and the House divided as follows :—

AYES—18.

1. Mr. K. P. Abraham	10. Mr. Tariatu Kunjitomman
2. ,, K. C. Chandi	11. ,, K. P. Madhavan Pillai
3. ,, A. S. Damodaran Asan	12. ,, M. P. Madhavan Pillai
4. ,, K. Gopalakrishna Pillai	13. ,, M. N. Narayana Menon
5. ,, K. C. Karunakaran	14. ,, A. Narayana Pillai
6. ,, K. I. Kocheeppan Mappillai	15. ,, K. P. Nilakanta Pillai
7. ,, K. P. Kochukora Tarakan	16. ,, R. Dhanukoti Pillai
8. ,, K. Krishnan Navar	17. ,, K. George
9. ,, N. K. Krishna Pillai	18. ,, Rao Sahib Dr. N. Kunjan Pillai

NOES—15.

1. Mrs. Anna Chandi	9. Mr. A. Thanu Pillai
2. Mr. S. Chattanatha Karayalar	10. ,, A. Kumara Pillai
3. ,, N. John Joseph	11. ,, C. O. Madhavan
4. ,, S. Krishna Pillai	12. ,, B. Narayana Pillai
5. ,, K. Kunjukrishna Pillai	13. ,, N. Nilakanta Pillai
6. ,, P. S. Mahomed	14. ,, R. Nilakanta Pillai
7. ,, K. Padmanabha Panikkar	15. ,, C. N. Srirenganatha Sastri
8. ,, Rama Varma Raja	

NEUTRALS—4.

1. Mr. E. G. McApline	3. Mr. S. C. H. Robinson
2. ,, Kayalam Paramesvaran Pillai	4. ,, J. S. Westerdale

The principle was declared carried, 18 voting *for*, 15 *against* and 4 remaining *neutral*.

DEPUTY PRESIDENT: So that principle is accepted.

The next point for consideration is as regards kurichitties, whether the principle laid down in the amending Bill is acceptable or not.

The motion was put to the vote of the House and passed.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*) I demand a poll.

A poll was taken and the House divided as follows :—

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AYES.—32.

1. Mr. K. P. Abraham	18. Mr. K. Padmanabha Panikkar
2. Mrs. Anna Chandi	19. ,, A. Thanu Pillai
3. Mr. K. C. Chandi	20. ,, R. Dhanukoti Pillai
4. ,, S. Chattanatha Karayalar	21. ,, K. George
5. ,, A. S. Damodaran Asan	22. ,, A. Kumara Pillai
6. ,, K. Gopalakrishna Pillai	23. ,, Rao Sahib Dr. N. Kunjan Pillai
7. ,, M. Govindan	
8. ,, N. John Joseph	24. ,, C. O. Madhavan
9. ,, K. C. Karunakaran	25. ,, E. G. McAlpine
10. ,, K. P. Kochukora Tarakan	26. ,, B. Narayana Pillai
11. ,, K. Krishnan Nayar	27. ,, N. Nilakanta Pillai
12. ,, N. K. Krishna Pillai	28. ,, R. Nilakanta Pillai
13. ,, K. Madhavan Pillai	29. ,, Kayalam Paramesvaran Pillai
14. ,, K. P. Madhavan Pillai	
15. ,, M. P. Madhavan Pillai	30. ,, S. C. H. Robinson
16. ,, A. Narayana Pillai	31. ,, C. N. Srirenganatha Sastri
17. ,, K. P. Nilakanta Pillai	32. ,, J. S. Westerdale

NOES—3.

1. Mr. S. Krishna Pillai	3. Mr. Rama Varma Raja
2. ,, K. Kunjukrishna Pillai	

NEUTRAL 1.

1. Mr. P. S. Mahomed

The principle contained in the second part of the Bill was declared carried, 32 voting *for* 3 *against* and 1 remaining *neutral*.

DEPUTY PRESIDENT: The principle of the amending Bill has been accepted by the majority of this House.

The Secretary to the Council then read the title of the Bill.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Sir, I beg to move that the Bill be taken up for consideration.

MR. R. NILAKANTA PILLAI (*Financial Secretary to Government*): I second it.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Sir, I oppose the motion.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*): Need not the Standing Order be taken into account?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Only if anybody *opposes*, I think.

MR. S. KRISHNA PILLAI (*Karunagapalli*): I oppose it.

DEPUTY PRESIDENT: Standing Order 73 requires that the Bill should be moved for being taken into consideration on the expiration of 15 clear days. But there is also provision which allows the President to suspend the above rule. Under the circumstances, I do so.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Sir, I oppose the motion made by the Law Member and propose that the Bill be committed to a Select Committee. May I not speak a few words?

DEPUTY PRESIDENT: Yes.

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MR. S. KRISHNA PILLAI (*Karunagapalli*): It would appear that although this House has accepted the principle involved in the Bill by a majority of votes it is certainly not clear whether it is such an overwhelming majority which approved of a course under which the Bill can be taken up for second reading without the report from a Select Committee to which the Bill has to be referred. In regard to the principle contained in the first part, the Law Member declared that the official members were at liberty to vote in accordance with the conviction of their conscience and we find that the principle was accepted by a very small majority of 18 votes against 15. That, I suppose, is not such an overwhelming majority as to justify a Bill being rushed through this House without its principle being considered by an expert body and without this House being put in possession of a report of that body.

In regard to the second proposition the question put was whether the principle contained in it might be accepted and it was found that only three or four persons stuck on to their opinions which they held at the time this matter was debated upon. Even as regards those who supported the principle contained in the Bill and from what I have been able to gather from the speeches made by them the principle that they support is that kurichitties should be prohibited hereafter and not that the kurichitties that have already been started, conducted, or pushed through half-way and in which several instalments have already been drawn should be prohibited. All that the majority was of opinion, to me it appears, was that kurichitties shall not hereafter be started and conducted. I attempted to impress upon this house the injustice that will be brought to bear upon the public of the State if chitties that have already been started are penalised. I also sought to emphasise that an action which was not penalised at its inception should not afterwards be penalised. That will be contrary to the accepted principles of legislation and therefore I said and several of my friends said, that only kurichitties started and conducted hereafter should be penalised. We all agreed on that. But in regard to the penalty that has to be imposed upon kurichitties that were already started we disagree. Even my friend Mr. N. K. Krishna Pillai said that he did not accept the principle of the Bill to this extent but when the voting came he voted for accepting the principle because there was a small principle that could be accepted and two or three of us did not vote for it, because it is a fact that a principle we do not accept in its entirity should not be accepted at all. The member in charge of a Bill may have his own likes and dislikes. But that is not a criterion for which the Bill shall be rushed through in this House. We ought to be given sufficient time. The Legislature provides for an expert body to advise us. Although there are only two sections in the Bill it will be found that the two sections cover nearly two pages of printed matter and they contain various details. My own impression is that it is not proper to say

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that after all this is a small piece of legislation and does not require much consideration. As we proceed, if my motion for commital of this Bill to a Select Committee is to be thrown out, we will find that the Bill involves not only one or two principles but more than a dozen principles. We will find that every paragraph refers to two or three principles which have to be debated upon. Therefore, Sir, I move that the Bill be referred to a Select Committee. Of course, I do not say that the Select Committee should take its own time to submit its report and that we should wait for a sitting of the new Assembly. I suppose that it is enough if a couple of hours' time is granted to an expert body of this House. They may discuss the draft Bill and the Bill may be taken up for consideration on the next day. The Select Committee may submit its report, say, tomorrow or the day after and it is only fair that we are given such a chance to discuss this Bill.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): When is the time for the second reading?

MR. S. KRISHNA PILLAI (*Karunagapalli*): On Monday or Tuesday the Bill may be discussed. At any rate, want of time for a debate or discussion should not be a reason urged for rushing through the bill, the principle of which is vehimently contested.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): The principle of the Bill has already been accepted by the House.

MR. S. KRISHNA PILLAI (*Karunagapalli*): I think that the principle has been sufficiently emphasised though it has been agreed to. The first principle has been accepted by this House by the majority of three votes and the second as I said, by a large majority. We are all agreed that all future kurichitties should be penalised.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): Is it the opinion of the member that the opinion of the majority of this House does not carry that weight which the majority generally carries?

MR. S. KRISHNA PILLAI (*Karunagapalli*): I am not making any general statement in regard to that.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*): Has the member sent in amendments?

MR. S. KRISHNA PILLAI (*Karunagapalli*): Yes; but does the member think that if those amendments are discussed then the Bill can be put into an acceptable form? I have sent up those amendments in great haste.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*): Those amendments can be considered by theHouse.

MR. S. KRISHNA PILLAI (*Karunagapalli*): I can certainly withdraw those amendments if my friend will vote with me. The fact that I have sent in amendments should not stand in the way of my friends supporting me.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*): Could not the difficulties which the member finds in the Bill be remedied by moving those amendments?

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MR. S. KRISHNA PILLAI (*Karunagapalli*): I have my own diffidence in regard to this matter. I do not think any amendment hastily drawn up will convey the full meaning which I would have given if I were given sufficient time to word the amendment. It is as hastily drawn up as any motion made here and is in keeping with the rush that we are going to have with regard to this Bill. If members of the House had sufficient time in discussing the Bill, I am sure they will come to different conclusions in regard to several of the principles contained in these sections. I therefore propose, Sir, that the Bill be committed to a select committee.

MR. A. THANU PILLAI (*Trivandrum*): Sir, I second the motion. This is a Bill of which even the mover is not enamoured. While voting on the first portion of the Bill it is noteworthy that the mover of the Bill did not vote for it. That shows what clear difference of opinion there is with regard to the propriety of passing this Bill into law.

MR. K. P. MADHAVAN PILLAI (*Shertallai*): Does it not then mean that without even the votes of the official members there is difference of opinion?

MR. A. THANU PILLAI (*Trivandrum*): With regard to the first point, the official votes count; unlike in the case of other bills because they are allowed to vote according to their individual discretion.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): Therefore the point is whether the vote exercised in regard to this Bill is not more valuable than in regard to other matters.

MR. A THANU PILLAI (*Trivandrum*): The vote in this case is as valuable as it ought to be. Whenever motions like this are brought in official members ought to be allowed to vote as they like. Unfortunately that is not done. The official vote has no peculiar value. We found that there was a very sharp and very clear difference of opinion. Even though the Bill consists of only 4 or 5 clauses, I think some of those clauses have to be considered in detail, and more than one amendment will have to be gone into minutely and considered. Even if we proceed with it, I do not think we will be able to see the end of it to-day. For my part, if this could wait for some time, that will be better. I do not know why it should be rushed through now. If the Select Committee should be called upon to submit its report in two days the Bill can be passed in this session itself. I would go even further and say that if it is not found possible, we must allow the Bill to wait for the next opportunity. I am strongly of opinion that this is a matter which ought to go before a Select Committee.

MR. K. MADHAVAN PILLAI (*Trivandrum* cum *Neduvangad*): Is not the Bill more or less an emergent measure due to the economic depression?

MR. A. THANU PILLAI (*Trivandrum*): There is considerable difference of opinion with respect to that. In this connection, I may also refer to the fact that many of the seats are vacant. Altogether the voting was taken part in by only 33 members out of a House consisting of 50. Of course, those that hold that the Bill is necessary are of

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opinion that it is dictated by economic depression of a particular nature. But the others equally emphatically assert the view that it is detrimental to the economic interests of the State. We should consider it in detail. No doubt, the principle should be made for postponing the chitties that the provision is accepted by the House. But what should be the proportion? Is it dependent on the number of subscribers, the value of tickets held and the length of time? All these matters have to be gone into in detail. These are bound to take time. If the matter can wait till now, I do not know why it should be rushed through in an hour's time. It is a matter affecting the interests of subscribers of every stage. Large interests are involved and we are going to deal with a matter affecting the State generally. We find there is a cleavage of opinion even in this House.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): It does not follow that we should appoint a touring committee?

MR. A. THANU PILLAI (*Trivandrum*): It does not follow that we should appoint touring committees.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): Is the member agreed in regard to every other principle than that of fixing the proportion?

MR. A. THANU PILLAI (*Trivandrum*): There is difference of opinion in regard to all these. I do not think the matter can be rushed through now. I think therefore that the Bill ought to go to a Select Committee.

MR. K. P. MADHAVAN PILLAI (*Shertallai*): The member's opinion is only in regard to the postponement?

MR. A. THANU PILLAI (*Trivandrum*): Yes.

MR. K. KUNJUKRISHNA PILLAI (*Quilon*): Sir, with regard to the specific motion for the committal of the Bill to a Select Committee, I do not think any case has been made out for rushing through this piece of legislation without allowing the Select Committee to look into the Bill minutely and suggest necessary changes. Sir, I was very much surprised to hear some of the members entertaining the fear that if there is no time for the select Committee being appointed a Bill cannot be got through; I do not know whether that could be a just consideration for rushing through this Bill.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): What was the consideration in regard to the Jenmi and Kudiyan amendment Bill which had to be compromised?

MR. K. KUNJUKRISHNA PILLAI (*Quilon*): I thought my friend Mr. Nilakanta Pillai, was in this House and has understood what difference there was. The difference was not that the Bill will not be taken up in this session but that there was want of time to consider it sufficiently. The question is whether this Bill should be minutely looked into. This Bill is not going to be lost.

MR. K. GOPALAKRISHNA PILLAI (*Parur*): No Bill will be lost.

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MR. K. KUNJUKRISHNA PILLAI (*Quilon*) : Yes. There was the apprehension that if we do not get through that part of the amendment of the Government, Government may not take up the responsibility of bringing it.

MR. P. S. MAHOMED (*Nominated*) : ജന്മികുടിയാൻബില്ല് ഇവിടെ കൊണ്ടുവന്നിട്ട വളരെക്കാലമായി എങ്കിലും അതു പാസ്സായികിട്ടിയില്ലേ?

MR. K. KUNJUKRISHNA PILLAI (*Quilon*) : അതുകൊണ്ട് ഈ ബില്ലിനേയും അതുപോലെ ദീർഘിപ്പിക്കണമെന്നില്ലല്ലോ.

The only point for consideration is whether this piece of legislation has had time for full consideration by the House, whether we were able, in the pressure of business that we had, to bestow the consideration that any piece of legislation ought to have at our hands. The prejudices with regard to particular opinions should not blind the members to the fundamental position that they ought to take that any piece of legislation that passes through this House should be considered carefully by this House. What is the urgency for suspending the ordinary course of business by the exercise of extraordinary powers?

MR. K. P. MADHAVAN PILLAI (*Shertallai*) : If this Bill is not passed into law in this session, could the member expect it to become law within a period of six months?

MR. K. KUNJUKRISHNA PILLAI (*Quilon*) : Yes, it could be.

MR. K. P. MADHAVAN PILLAI (*Shertallai*) : How?

MR. K. KUNJUKRISHNA PILLAI (*Quilon*) : Government can call together another session. Or the new Legislative Assembly can be got into existence soon. I do not think that because we cannot pass a legislation after careful consideration in this House at once we should give our sanction to any piece of legislation. The question is whether we should give sanction to that which we have not studied carefully. If the member was in possession of the House, I would have asked him whether he had sent in any amendments (*interruption*). That is the difficulty with regard to that. So, Sir, I think this is a matter which the House has to consider. Have we time to consider the matter? Is this not a matter which ought to be considered as it affects a large body of people? Should it not be considered very seriously and minutely? Should the House lightly say that Standing Orders should be suspended? (*Interruption.*) I do not think sufficient time has been given to the consideration of this measure.

DEPUTY PRESIDENT : The question before the House is whether it ought to be referred to a Select Committee. There has been a ruling from the Chair that the Standing Orders have been suspended. I do not know whether any remarks about that are in order.

MR. K. KUNJUKRISHNA PILLAI (*Quilon*) : I beg your pardon, Sir I did not make any remarks about the suspension.

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DEPUTY PRESIDENT: There was a remark. The only point before the House now is whether the Bill ought to be referred to a select committee. You ought to proceed on that. The sense of the House may be taken on that point. But you were referring to the suspension of the Standing Orders. I do not know whether that is in order.

MR. K. KUNJUKRISHNA PILLAI (*Quilon*): I must make myself clear. I stated that as a matter of fact. I think the Standing Orders have been suspended. It is only a statement of fact—not that I questioned it.

DEPUTY PRESIDENT: But the way in which it was stated—

MR. K. KUNJUKRISHNA PILLAI (*Quilon*): I make myself clear. It was only as a statement of fact.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): He said that it is an extraordinary course. The member even made reflections on the Chair.

MR. K. KUNJUKRISHNA PILLAI (*Quilon*): I do not hear my friend.

DEPUTY PRESIDENT: You may proceed.

MR. K. KUNJUKRISHNA PILLAI (*Quilon*): Even with regard to the first principle of this Bill, though that principle is accepted, there is considerable difference of opinion. With regard to the second principle, *viz.*, whether kuri-chitties started and conducted hereafter should be penalised, there was considerable difference of opinion even among the people who voted for the acceptance of that principle. For example, Mr. N. K. Krishna Pillai very rightly pointed out that the chitties that have already come into existence should not be penalised. He voted for the general principle. That could be understood. So, there is considerable difference of opinion even with regard to that.

MR. RAMA VARMA RAJA (*Edavagai*): ഈ എക്സ്റ്റിന്റ്സ് എന്നു പറയുന്നതു് എപ്പോഴും മുതല്ലാണു്. എന്നുമുതൽ തുടങ്ങുന്ന ചിട്ടിയെയാണു് അതു് ബാധിക്കുന്നതു്.

MR. K. KUNJUKRISHNA PILLAI (*Quilon*): ഇപ്പോൾ നടന്നുവരുന്ന ചിട്ടിയെ സംബന്ധിച്ചാണു പറഞ്ഞിട്ടുള്ളതു്.

I think, Sir, that within the short space of time available to us we were not able to sent up amendments.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): Is there any other Bill for which the member wanted to sent up amendments?

MR. K. KUKJUKRISHNA PILLAI (*Quilon*): I do not want to answer my friend. He is in a mood to put irrelevant questions.

Sir, sufficient time has not been given us to sent in amendments to let the House approve of a piece of legislation after considering seriously all the aspects of the question. Let us give our approval after a full consideration and after all opportunities for discussion have been exhausted. So I second the motion for committal to a Select Committee.

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MR. K. P. MADHAVAN PILLAI (*Shertallai*) : Sir, I oppose the motion.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : I rise to a point of order. I want to know whether any member, other than the mover of a Bill could move a motion for committing the Bill to a select committee.

DEPUTY PRESIDENT : His motion would amount to an adjournment of the discussion till a Select Committee is appointed.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : When there is a motion for taking into consideration a Bill any member may oppose that. But a motion for Select Committee could only be made by the mover.

DEPUTY PRESIDENT : Could it not be that the motion for considering the Bill be opposed ?

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : That may be opposed.

DEPUTY PRESIDENT : Well, his motion may be taken to be that.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : There is no express provision for a bill being *committed* to a select committee on the motion of any member other than the mover. But there is provision for *recommittal* to a Select Committee and that can be moved by anybody.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : I would refer the member to standing order 37.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Standing order 37 (2) runs as follows :—

"If the member in charge moves that the Bill be taken into consideration any member may move as an amendment that the Bill be re-committed."

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : But standing order 37 (1) says like this.

"After the presentation of the final report of the Select Committee on a Bill the member in charge may move—

(1) that the Bill as reported by the Select Committee be taken into consideration but may object to its being so taken into consideration if a copy of the report has not been available for the use of members for seven days or if three months have not elapsed from the date of the first publication of the Bill ; and such objection shall prevail unless the President in the exercise of his power to suspend this order allows the report to be taken into consideration :"

That has also to be moved by the member in charge.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : The member will please read the second paragraph of the same Standing Order (No. 37).

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : It says that "*any member may move* as an amendment that the Bill be reconsidered."

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : *Any* member may move it as an amendment.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : Only as an amendment.

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MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): There is no express provision to say that any member other than the mover may move that the Bill will be committed to a Select Committee; but there is express provision to the effect that if the member in charge moves that the Bill may be taken into consideration, any member may move that the Bill be *re-committed*.

DEPUTY PRESIDENT: Probably Standing Order No. 32 is the provision that would apply to the present case. It says:

> "If no motion for referring the Bill to a Select Committee is made under clause (4) of the preceding Standing Order or if a motion is made and negatived, the member in charge shall not move that the Bill be taken into consideration until the expiration of fifteen clear days from the date on which the Bill was read under clause (2) of the preceding Standing Order."

It implies that even if he does not make a motion for reference to a Select Committee, he may move for the consideration of the Bill forthwith. Standing Order No. 37 refers to a later stage after the Select Committee has reported and the member in charge presents the report and moves for the Bill as reported by the Select Committee, being taken into consideration. The motion now before the House must be construed as a motion opposing the consideration of the Bill. In so opposing, it is suggested that it would be better to appoint a Select Committee to consider the Bill.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Sir, I cannot accept the position taken by Mr. S. Krishna Pillai. I am perfectly willing to concede that, under ordinary circumstances, this Bill would certainly have gone before a Select Committee. The House must remember that in this case the purpose of the Bill would be defeated if it is referred to a Select Committee, because that would necessarily mean undue delay. I can understand that there may be differences of opinion in regard to the several provisions; but, so far as the main principle of the Bill is concerned, the House has given its assent. It is not, therefore, now open to the House, in the light of that, to do anything which would delay the enactment coming into operation. The House must remember that this is realy an emergency measure.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): It is not possible to give just one day's time for consideration by a Select Committee?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): No Sir; I shall explain.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Is there any provision for emergency Regulations?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): If the House considers it to be very urgent—I believe it is so—it must find a way to pass it in this session itself. Government have allotted more than 3 hours for the discussion of this measure. As I have already stated, we are extending the session by one day for the sake of the 3rd reading of several Bills.

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MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*) : Why not extend it by one day more?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : If the House wants the measure urgently, they must take it up now. After all, it is a small Bill. The principle of it has been discussed at length on a previous occasion. If the House is desirous that the Bill must become law urgently, they must impose some restraint upon themselves aud pass it *now* treating it as a temporary measure. If there is any verbal defect it can be cured immediately. If the House considers that the postponement of chitties is very urgent, they must accept the Bill as such with such amendments as would remove all formal defects. If the Bill is not taken into consideration today, it would have to go before the new Legislature, the very first session of which will very probably be the Budget Session. The inevitable result will be that it would be postponed for one year.

MR. RAMA VARMA RAJA (*Edavagai*) : എന്നുമുതൽ നടത്തുന്ന ചിട്ടിക ളാണ ശിക്ഷാമയാശ്യമല്ലാത്തതു്.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : It is beyond my province, just at present, to go into the merits of the question. If my motion is not accepted, and if the Bill referred to a Select Committee, the inevitable result would be that it would go before the new Legislature which would mean delay of one year. That is all that I need say on the present motion.

DEPUTY PRESIDENT : Now, there is a motion for the consideration of the Bill now.

There is an opposition to that motion ; for, as the Standing Orders stand, no member other than the member in charge of the Bill can move for the Bill being referred to a Select Committee.

The motion was put to vote and carried.

MR. K. KUNJUKRISHNA PILLAI (*Quilon*) : I demand a poll.

A poll was taken and the House divided as follows :—

AYES.—25.

1	Mr. K. P. Abraham	14	Mr. A. Kumara Pillai
2	,, K. C. Chandi	15	,, C. N. Srirenganatha Sastri
3	,, S. Chattanatha Karayalar	16	,, Kayalam Paramesvaran Pillai
4	,, K. Gopalakrishna Pillai	17	Rao Sahib Dr. N. Kunjan Pillai
5	,, K. C. Karunakaran	18	Mr. S. C. H. Robinson
6	,, K. I. Kocheepan Mappillai	19	,, R. Dhanukoti Pillai
7	,, K. P. Kochukora Tarakan	20	,, N. K. Padmanabha Pillai
8	,, K. Krishnan Nayar	21	,, B. Narayana Pillai
9	,, A. Narayana Pillai	22	,, N. Nilakanta Pillai
10	,, K. P. Madhavan Pillai	23	,, C. O. Madhavan
11	,, K. Madhavan Pillai	24	,, E. G. McAlpine
12	,, K. P. Nilakanta Pillai	25	,, J. S. Westerdale
13	,, K. George		

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NOES—8.

1	Mr. A. Thanu Pillai	5	Mr. M. P. Madhavan Pillai
2	,, S. Krishna Pillai	6	,, A. S. Damodaran Asan
3	,, K. Padmanabha Panikkar	7	,, K. Kunjukrishna Pillai
4	Mrs. Anna Chandi	8	,, Rama Varma Raja

NEUTRAL—1.

Mr. N. K. Krishna Pillai.

The motion was declared carried, 25 voting *for* the motion, 3 *against* and one remaining *neutral*.

Clauses 1 and 2.

The question that clauses 1 and 2 do stand part of the Bill was then put to vote and carried.

The clauses were added to the Bill.

Clause 3.

DEPUTY PRESIDENT: There is an amendment to be moved by Mr. S. Krishna Pillai. Mr. Krishna Pillai, your amendment seems to relate to a clause which does not form part of the Bill now before the House.

MR. S. KRISHNA PILLAI (*Karunagapalli*): If I am not permitted to move my amendment I oppose Section 2 as it stands in the Bill.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): I rise to a point of order with respect to the amendments given notice of by Mr. S. Krishna Pillai. He has not given us the notice prescribed by the Standing Orders. The Bill was taken up on the very first day of this session. Therefore, the member had ample time at his disposal to give sufficient notice in accordance with the Standing Orders. I have serious objections to the amendments being moved now.

DEPUTY PRESIDENT: Considering the peculiar circumstances under which we have to deal with this Bill, I suspend the Standing Order relating to notice, and allow Mr. S. Krishna Pillai to move his amendments.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): I also rise to a point of order, Sir. I hope Mr. S. Krishna Pillai will explain how his first amendment is *relevant* to the Bill now before us.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Sir, in regard to the new Section 52 now proposed by the Law Member, it is intended for the purpose of curing certain defects in the present Regulation. There is one provision in the Regulation which enables a chitty to be postponed. The provision for that is contained in Section 33 (6) of the present Regulation. There is no other Section anywhere in the Regulation which enables postponement. Section 33 (6) in addition to being an enabling provision is also a penalising provision. It says that a chitty shall be deemed to have terminated under any one of the circumstances mentioned in the Section. Sub-section (6) of Section 33 says that if the foreman fails to conduct the chitty on the adjourned

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[Mr. S. Krishna Pillai]

day, which must be before the date of the next instalment, the chitty shall be deemed to have terminated. Therefore, by implication it enables the foreman to postpone the chitty to any date before the date of the next instalment. Section 33 of the present Regulation, therefore, enables, impliedly, the foreman, with the consent of three-fourths majority of the subscribers, to postpone the chitty. Therefore, any provision relating to the postponement of the chitty to a further date must be to Section 33 of the Regulation. Now, if the amending Bill now before the House is passed, it will lead to trouble on account of the provision in Section 33 (6) of the Regulation under which if the foreman does not conduct the chitty on the postponed date the chitty shall be deemed to have terminated; and the effects of a chitty terminating are far-reaching, because every non-prized subscriber will be entitled to immediate payment of his money. Therefore, it is that I suggest that, instead of adding it as a new Section 52, Section 33 must be suitably amended. Hence my first amendment. Section 33 has to be amended consistent with the provision in the proposed Section 52. Otherwise, it will be postponed under Section 52 and it will terminate under Section 33. That has to be avoided.

DEPUTY PRESIDENT: Is your amendment a consequential one.

MR. S. KRISHNA PILLAI (*Karunagapalli*): It is not exactly that, Sir. Provision must be made amending Section 33 that the chitty shall not terminate, even if postponed, as now provided in Section 52. Section 33 must be amended consistent with the provision now sought to be introduced in Section 52. Otherwise, while the chitty will not terminate under Section 52, Section 33 will vest some of the subscribers with rights consequent on termination of the chitty. That is the difficulty.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Sir, I want to clear the ground. There is absolutely no difficulty whatsoever. The only question that we need consider now is whether the amendment of Mr. S. Krishna Pillai is in order.

Section 33 of the Regulation is not now before the House; and for that matter, we have yet to pass the provision relating to postponement. The amendment is therefore out of order.

MR. S. KRISHNA PILLAI (*Karunagapalli*): What will happen if Section 52 of the Bill is carried, and the Section 33 of the Regulation remains as it is?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): The date of the instalment will be the altered date. It is stated

> "..... shall be deemed to be a provision of the *variola* as if originally contained in the *variola*."

MR. S. KRISHNA PILLAI (*Karunagapalli*): "*Before the next instalment*" what does that mean? The instalment spoken of in Section 33 (1) of the Regulation means the instalment as stated in the *variola*,

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MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): The Bill says that a resolution shall be passed and that the altered date shall be deemed to be the provision of the variola.

DEPUTY PRESIDENT: So you do not press your first amendment.

MR. S. KRISHNA PILLAI (*Karunagapalli*): I do not press it. I beg to move my next amendment No. (2). The following shall be added as Section 52.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): I rise to a point of order. The principle that there should be a provision for postponing chitties has been accepted. This amendment says that no provision need be made inasmuch as there is already a provision in the Bill itself. That means we will be practically going against the principle accepted.

MR. A. THANU PILLAI (*Trivandrum*): I suggest that the object which Mr. Krishna Pillai wants may be gained by bringing in appropriate amendments to the Law Member's amendments.

MR. S. KRISHNA PILLAI (*Karunagapalli*): I may be permitted to explain my first amendment which related to Section 33, clause VI, *i.e.*, for postponing the chitty for one year. The Law Member wanted that postponement should be for one year. That will come to mean one year from the adjourned date and after the commencement of the Amendment Regulation. So long as my first amendment is not allowed and so long as I do not press the second I may be permitted to move my third amendment.

MR. A. THANU PILLAI (*Trivandrum*): Is not "special resolution" defined in the Chitties Regulation?

MR. S. KRISHNA PILLAI (*Karunagapalli*): Yes. Sir, I move that

In Section 52 (1), after the words "may be altered" in line 4, insert "by a special resolution" and delete the whole of the remaining portion of the section begining with "by a resolution passed at a....."

If my amendment is accepted the section will read thus.

"Notwithstanding anything contained in the foregoing provisions, the date of any instalment, or the dates of the instalments, in a chitty, as well as the date on which the chitty is to terminate, may be altered by a special resolution."

Now the remaining part of that clause relates to "resolution" as now defined or said to be defined under the Bill. The Chitties Regulation refers to a special resolution in the following terms in Section 3 (11):

"Special resolution means a resolution which is passed at a meeting convened for the purpose of the general body of subscribers by a majority of not less than three-fourths in value of the subscribers. Under section (10) terms containing in the variola can be altered or added only by a special resolution."

Section (10) reads thus:

"Subject to the provisions of this Regulation and to the conditions contained in the variola, the subscribers to a chitty may, by a special resolution, alter or add to the articles in the variola any such alterations or additions shall be as valid as if originally contained in the variola and shall be subject in like manner to alteration by special resolution."

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[Mr. S. Krishna Pillai.]

So, now according to the old Regulation the expression "special resolutions" has been defined and the terms of the variola are liable to be altered only by a special resolution. Section 52 as proposed in the Bill is not acceptable for several reasons. There is to be no special resolution to be adopted. According to the original provisions in Sections (3) and (10), they speak of *special resolutions* and not mere resolutions. I do not see why we should depart from that accepted rule in regard to chitties. It will also be seen that we are introducing unnecessary innovations in a piece of legislation which will affect only subsisting chitties. Every one of the subscribers was given to understand that the terms contained in the *variola* could be altered only by a special resolution. Hereafter, by means of a resolution in a meeting assembled the terms may be altered. According to the existing Regulation, the term "special resolution" provides clear safeguards. The difference between a resolution and a special resolution can be illustrated by one example. Here, for the purpose of passing such a special resolution it is stated thus :

> "that a resolution passed at a meeting convened for the purpose of the general body of the subscribers by a majority of not less than 3/4 in the value of subscribers....."

That special resolution will be valid only if it is passed by a majority of not less than three-fourths of the value of subscribers. Now, what is the resolution that is sought to be introduced here? It reads—

> "A resolution passed.....by a majority of not less than 2/3 in number of the subscribers present at the meeting."

So, if on a particular day only three subscribers are present they can pass a resolution which will be also valid.

MR. K. P. MADHAVAN PILLAI (*Shertallai*) : If the subscriber present does not want postponement, is it not open to him who is present to insist on that?

MR. S. KRISHNA PILLAI (*Karunagapalli*) : As if every subscriber has nothing else to do but to be present.

MR. K. GEORGE (*Chief Secretary to Government*) : Is there no voting by proxy in a chitty?

MR. S. KRISHNA PILLAI (*Karunagapalli*) : I do not think there is, when the old Regulation says that every term contained in the *variola* shall be liable to be altered or added in accordance with 'special resolution'....., why should we want to introduce a new word "resolution?" Why not we say by a 'special resolution passed in the foreman's house under Section 10?' Why not give to the subscribers who have taken these tickets as much right and privilege as they bargained for at the time when they joined the chitty? Why should the foreman alone have a hand in regard to postponement without the consent of every subscriber? If under this Regulation, a foreman says that he has issued a notice to the subscribers regarding postponement just a day before the meeting, and suppose in his minute book such an entry is also found, or say that the notice was issued on the day of the meeting,

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what could be done? One fine day the foreman, his son-in-law and brother-in-law all assemble together and in a meeting decide to postpone the chitty. This is valid according to the rules proposed to be introduced. That is a decision passed by a majority of 2/3 present at the meeting. It is a genuine resolution.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): Even if the brother-in-law differ there is no difficulty.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Yes. I am only suggesting an extreme case. This will not be possible if we adhere to the expressions found in the old Regulation and that is "special resolution passed by the holders of at least three-fourths of the total number of tickets." For that purpose the foreman will have to forge the signatures of several subscribers which he will not dare. It will be a dangerous thing if he commits it. By the proposed section it will mean that we are favouring the foreman of a chitty. I do not for a moment believe that this is enacted for the purpose of saving the prized subscriber or giving no help to the non-prized subscriber. Again, the foreman is given the power to extend the term of the chitty. According to the old regulation, only with the consent of a particular number of subscribers, could a chitty be postponed. Why not stick to that provision which is a very wholesome one? Undesirable postponements will never take place. Three-fourths in value of the subscribers will have to be present. If they are not present, the chitty could not be postponed. Every subscriber, both prized and non-prized, will take interest in the chitty transactions. On the other hand, do not arm the foreman with such a dangerous weapon and thus enable him to postpone the chitty. My chief point is about the number 2/3. Why not that be scored out and put in three-fourths? Again, why should we depart from the old Regulation? Further, it is mentioned in the proposed regulation as "two-thirds in the number of subscribers present." The old Regulation says three-fourths of the total number of tickets. As far as possible why should we not adhere to the wording in the existing regulation? Not only in the interests of the non-prized subscribers but even in the interests of the prized subscribers, what I say is that a foreman should not be given the right to postpone the chitty without the consent of a majority of ¾ in value of the subscribers. That power will not always be liable to be used against any person. That is my experience of the matter. A foreman can only act with the consent of a majority of the subscribers. He cannot manipulate the records in his own way. Before he resorts to all manner of false methods he will consider well. There is a Magistrate's Court to look into the records and scrutinise them in case any slight suspicion is found. It is only with the unanimous agreement of a majority of the subscribers, a special resolution could be passed stating that the chitty is postponed. If the foreman is a dishonest man, subscribers will not agree to that. If honest they will agree. With these observations I move my amendment No. (3)

MR. A. THANU PILLAI (*Trivandrum*): All that Mr. Krishna Pillai, wants is the wording "special resolution."

MR. S. KRISHNA PILLAI (*Karunagapalli*): Yes.

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MR. K. KUNJUKRISHNA PILLAI (*Quilon*) : I second the amendment. When the provisions of the *variola* are sought to be altered, the consent of a majority of the members present in a meeting is obtained. I think that when a question of fundamental change is contemplated, such as postponement of a chitty for some time, the majority of the subscribers present in a meeting should be given the liberty of having their say and have their voice effectively exercised in deciding one way or the other. So I think that three-fourths in value will, be a sufficient substitute than the present two-third of the number present. It has also been suggested by the Law Member while he was addressing the House that it is in the interest of both the prized subscribers and the non-prized subscribers who had not the fortune to bid the chitties that it is proposed to be postponed due to the present economic depression. If that be so, why should any body apprehend that, if the postponement is in the interest of all the parties, they should fear that a three-fourths majority in value will not be present.

MR. K. GEORGE (*Chief Secretary to Government*) : Some of them may be in Singapore and others in Madras.

MR. K. KUNJUKRISHNA PILLAI (*Quilon*) : I think three-fourths majority can be obtained. Postponement is not a matter to be lightly interfered with. I think it may be detrimintal to the persons who have already subscribed money if only some of the prized subscribers go and postpone the chitty without the knowledge of the non-prized subscribers. I think the non-prized subscribers were the prudent people who were helping the foremen to conduct the chitty thus far under difficult times. Theirs should be the deciding voice and they should be given sufficient opportunities of expressing their views in shaping the decisions of this corporation. Under these circumstances, I think it is very necessary that we should support the amendment as proposed by Mr. Krishna Pillai. With these words, I support the motion.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Sir, I do not accept the amendment. The provision contained in this section is what has specially been recommended by the Economic Development Board who are the expert advisers of Government in this matter.

MR. A. THANU PILLAI (*Trivandrum*) : May I know the strength of the members who constitute the Economic Development Board ?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Sir, as the time is limited, I am not proposing to answer that question.

Sir, what we want is an emergency provision so that the postponement of chitties may be facilitated. If we put the provision that two-thirds or three-fourths majority must be present at the meeting, that may hamper the resolution.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : Suppose the Law Member's amendment says that voting by proxy is allowed.

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MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Then proxy must be signed. We will come to that presently.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : Is it an emergent meeting ? This is an emergent measure.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Yes.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : Will we not be passing this measure because it is in the interest of all concerned ? And does not the member think that all the persons will be assembling there ?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : It is not necessary. Some people may not go.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : So, are we not passing this legislation in the interest of all persons ?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : May be. Persons who are prepared to take action will be present. Suppose some people are not appearing at the meeting, then the postponement will be hampered. Restrictions should not be put in the matter of postponement. That is why I said "two-thirds of the majority of people present at the meeting".

MR. A. THANU PILLAI (*Trivandrum*) : Sir, I support Mr. Krishna Pillai's amendment. This, it will be conceded, is an extraordinary kind of legislation that the mover wants to introduce.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : *Has introduced* and not "wants to introduce".

MR. A. THANU PILLAI (*Trivandrum*) : Wants to introduce to the Statute Book. In all pecuniary matters we find that a pecuniary value has to be taken into account in deciding the question. That is what we do in the case of a company. It is the value that goes into account with the Board. It is based on a sound principle ; because pecuniary interest ought to be taken into account. I made that point clear when I spoke on the motion to introduce the Bill. Simply because there is a larger number of subscribers, I think, it is a very dangerous principle not to take value into account. Then, the value of tickets is very small. The rule is already in the Regulation. I do not know why a departure should be made now in regard to that. I do not know why we should go down to two-thirds of the number of members present in a meeting to effect a postponement. (*Interruption.*) Do you mean to say that simply because a man is not able to turn out the number of persons the value of his money is lost ? That is a very curious position.

Then, there is another aspect of the matter to be considered. It was argued here that it is a matter which the majority of the people wanted. It is really wanted in the interest of the subscribers. What harm is there if three fourths of the subscribers should enter into it to effect a postponement ? We want to make a change in the law in the middle of the life of a chitty. After the majority of the subscribers are in it we want to obstruct them by means of postponment. We are here going to interfere with the rights of chitty subscribers. They

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[Mr. A. Thanu Pillai.]

may say we joined the chitty under certain conditions and we must have the right to continue that. Now, the Legislature says "you shall yield to the majority". "Yes, I shall. But is it to the 2/3 of the value or 3/4 of the number who has joined the chitty?"

MR. K. GOPALAKRISHNA PILLAI (*Parur*): What is the practice obtaining in Co-operative Societies?

MR. A. THANU PILLAI (*Trivandrum*): We are not concerned with the practice obtaining in Co-operative Societies.

MR. K. GOPALAKRISHNA PILLAI (*Parur*): Do they not give votes according to their shares?

MR. A. THANU PILLAI (*Trivandrum*): But do not people take shares with the right before them when the law was quite clear. Now we want to settle the matter hereafter in regard to the chitties. You may say that one member or the foremen alone can postpone it. But not so here. He would say that he thought that he could win the chitty and have it whenever he wanted. Others will have their own way and you must yield to their wishes. Are we right in doing what they ask? The Economic Development Board consists of responsible people. It may consist of chitty foremen also. This recommendation might have been made by the chitty foremen. It is the same as lawyers know law and the conditions in the land. What does it show? That it will be determintal to the interests of the people. We are going to effect a violent change in the law. I think that it ought to be prevented. I am strongly of opinion that as soon as the principle of the Bill has been accepted, the conditions under which such resolutions can be passed should at least be adhered to. Sir, I hope that the members of this House, both officials and non-officials will not allow this. I mean that none of the members will allow themselves to be swayed away by the cry of economic depression. We are a responsible body. We ought to take into account the real facts. Simply because this is a time of economic depression is there any necessity that auction should be postponed, if three fourths of the subscribers do not agree? They have joined the chitty concerns knowing what the chitty conditions are. We cannot stop them in the middle of a transaction. I am really suprised that the Law Member persists in the clause that he wanted to introduce even though while voting on the motion for introduction he remained neutral which clearly admits that he was not quite convinced.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): I was giving the House a full opportunity for expression of its opinion on *my* Bill.

MR. A. THANU PILLAI (*Trivandrum*): Anyhow, when he could clearly convince, he remained neutral. As a lawyer, I can very well appreciate his standpoint.

The Bill was introduced at the instance of the Economic Development Board. In a matter like this I again state that we should not introduce any violent change in the existing law. So, I support Mr. Krishna Pillai's amendment.

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May I know whether Mr. Krishna Pillai has moved the second part of his amendment?

MR. S. KRISHNA PILLAI (*Karunagapalli*): Only the first part.

MR. A. THANU PILLAI (*Trivandrum*): I wanted that portion also to come in. A time-limit with regard to the postponement of chitties should certainly be contemplated. Again, I emphasise the fact of the very well-established principle that we must respect contracts. As a legislature we ought not too lightly interfere with the obligations created between parties. We ought not do any violent change. If you want, let us at least make as little change as possible. Here we are making gross changes and I do not think the Legislature is justified in taking that course. When the policy of the Bill was put to vote the members on the other side of the House who remained neutral should consider the implications of the step that is going to be taken. Of course, I must also bring to their notice the fact that many seats on this side of the House are unfortunately vacant. The implications of the change ought to be taken note of by every one, both official and non-official. Official discretion should not fetter them. I hope when voting on this, individual discretion will be allowed to official members.

DEPUTY PRESIDENT: We do not know what is going to happen?

MR. A. THANU PILLAI (*Trivandrum*): I want to emphasise the necessity. If discretion was allowed at the time of voting on the general principle to prevail, why not allow that discretion when voting on this amendment also? When they thought that the principle of the Bill is one that has not been accepted by all should they not be allowed to limit its injurious effects as much as possible? What is the use of saying you may reject the Bill as a whole, but you may not discard the principle? But if in spite of you it is accepted you must accept it in full. I cannot understand the logic of that. I hope official members will be allowed to vote according to their individual discretion and they will vote in favour of Mr. Krishna Pillai's amendment.

MR. K. P. ABRAHAM (*Muvattupuzha* cum *Todupuzha*): Sir, I oppose Mr. Krishna Pillai's amendment. The Bill is intended as a measure of relief to the economic distress now prevailing.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Relief in whose favour?

MR. K. P. ABRAHAM (*Muvattupuzha* cum *Todupuzha*): In favour of the chitty people.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Who are the chitty people?

MR. K. P. ABRAHAM (*Muvattupuzha* cum *Todupuzha*): The foreman of the chitty and the subscribers, both prized and non-prized. The Bill is, for the present purpose, more practical than the one suggested by Mr. Krishna Pillai. Now, a meeting is specially convened for this purpose and all the subscribers, prized as well as non-prized, are given an opportunity for being present at the meeting and if there is any dissenting voice, they have a chance of expressing it at the meeting. As a practical measure, I think, the present Bill, as brought forward by the Law member, must be supported.

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MR. S. KRISHNA PILLAI (*Karunagapalli*) : Sir, I have very carefully listened to the Law Member's speech. I am not agreed upon the fitness of the arguments advanced by him. I do not think that they are in any way proper. My friend Mr. Thanu Pillai observed, and that with propriety and with great force, that the sanctity of subsisting contracts should always be respected. Even when this Regulation was passed the Legisature was forced to come out with this piece of Legislation for the protection of the subscribers and the foremen. When this Regulation itself was passed, they enacted Section 2 which said "nothing contained in the Regulation shall apply to a chitty of which the first drawing has been conducted before the commencement of this Regulation." They did not think that because the interests of all classes of persons had to be protected they could come forward with a legislation which has retrospective effect and which shall effect all subsisting contracts. Today we passed the Provident Insurance Societies Bill. There in Section 29 we have presumed the sanctity of contracts. Now, after the commencement of this existing Regulation certain new chitties have come into existence. It was on the strength of the provisions contained in the *variola* that we took tickets. It is not proper to say that whatever may have been the contract, whatever may have been the assurance that you might have had, it shall be at the sweet will and pleasure of the foreman to alter it. If the Section as it is put forward by the Law Member, is passed, it will lead, as I submitted, to very great difficulties and deprive the right of individual subscribers. It will be, as I am now led to believe, not to the benefit of subscribers but only to the benefit of foremen. If it is in the interest of the subscribers, I do not understand what difficulty there is for the foreman and the subscribers to meet and agree to a special resolution to the effect that the chitty shall be postponed for one year. If it is only in the interest of the foreman and not of the subscribers, if that is not in the interest of the prized or unprized subscribers, why should we lend our protection for one man as against a large number of people who have taken tickets in the chitty ? When our predecessors drew up this Bill and discussed it and passed it as a piece of legislation as acceptable to a full House, they did not take this matter into contemplation. They did not think that the *variola* should be added to with the consent of the majority of the members. Only $\frac{3}{4}$ in value was contemplated. The other provision would have the effect of enabling the foreman to conduct the chitty in utter defiance of all the rights of the prized and non-prized subscribers. Suppose several subscribers want that a chitty should be conducted. Are they to be present at the house of the foreman from morning six to evening six until the foreman conducts the meeting ? The foreman does not hold the meeting until it is 1 o' clock. Nobody is elected as chairman. After 1 o' clock these people get hungry and go away. Then the foreman holds the meeting and with the help of his son-in-law, he is able to have a $\frac{3}{4}$ majority of the subscribers present. In that case what can be done by the prized and the unprized subscribers to safe-guard their position ?

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MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): The member is repeating the very same that he said in order to obstruct business.

MR. S. KRISHNA PILLAI (*Karunagapalli*): I am really sorry, that the member makes such an observation. It is far from my thought. It is only to impress upon the House that the House shall not take any attitude subversive of all legal principles that I explained the matter. It is a very dangerous attitude and I want to bring it to you that the matter requires full and serious consideration. If I repeated any argument, it is because I thought you have not understood. I beg to be excused. It is not my practice to repeat and I am sorry Mr. Nilacanta Pillai has come forward with that statement. He has been making irrelevant statements.

MR. K. P. NILAKANTA PILLAI (*Chirayinkil*): I assure the member that I will not repeat the question hereafter. I said that because we have very little time.

MR. S. KRISHNA PILLAI (*Karunagapalli*): I believe he is most obtuse. Since my friend Mr. Nilakanta Pillai thought that I am repeating an argument, I believe he has also understood it, and that everybody has understood what I am trying to emphasise. Therefore, without further argument, I submit that my amendment may be accepted.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): In regard to this provision in the Bill, I will only draw the attention of the House to Section 79 of the Companies Regulation which makes provision for extraordinary resolutions. It says thus:

"79. A resolution shall be an extraordinary resolution when it has been passed by a majority of not less than three-fourths of such members entitled to vote as are present in person or by proxy (where proxies are allowed) at a general meeting of which notice specifying the intention to propose the resolution as an extraordinary resolution has been duly given." It will be seen therefore that a meeting of a company where property rights are affected an extraordinary resolution can be passed even though the majority of members were not present.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*): Should not that be ratified.

MR. KAYALAM PARAMESVARAN PILLAI (*Additionl Head Sirkar Vakil*): I am coming to it. It will be seen that in chitties it is not necessary to ratify. All that is required is that ¾ majority should be present either by proxy or in person. It will be seen here also that this special resolution may be passed by ¾ majority. But it can also be similarly altered by another resolution.

MR. S. KRISHNA PILLAI (*Karunagapalli*): Who is to summon these subscribers? Can the foreman convene the meeting?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): If an amendment for the purpose is necessary that may be moved.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*): What is the harm in accepting the amendment?

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MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : First of all, it is fundamentally opposed to the scheme of the Bill. It is opposed to the majority proposed there. If, instead of ¾, he said 2/3, that might have come within the Bill.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : Does the Law Member think that the subscribers will sleep over their rights when they receive a notice convening the meeting ?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : I do not think they will sleep.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : Then, will they go and attend ?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Yes.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : And so a special resolution can be passed by them ?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Yes.

MR. A. S. DAMODARAN ASAN (*Mavelikara* cum *Kartikapalli*) : Then, why not the member accept that ?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Because that is not the principle involved in the Bill.

The question that in Section 52 (1), after the words "may be altered" in line 4, the words "by a special resolution" be inserted and the whole of the remaining portions of the Section beginning with "by a resolution at a....." be deleted, was then put and lost.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : I demand a poll.

A poll was taken and the House divided as follows :—

AYES—8.

1	Mr.	S. Chattanatha Karayalar	5	Mr.	M. P. Madhavan Pillai
2	,,	A. S. Damodaran Asan	6	,,	K. Padmanabha Pankikar
3	,,	S. Krishna Pillai	7	,,	Rama Varma Raja
4	,,	K. Kunjukrishna Pillai	8	,,	A. Thanu Pillai

NOES—23.

1	Mr.	K. P. Abraham	13		Rao Bahadur Dr. N. Kunjan Pillai
2	,,	K. Gopalakrishna Pillai	14	Mr.	C. O. Madhavan
3	,,	K. C. Karunakaran	15	,,	E. G. McAlpine
4	,,	K. I. Kocheeppan Mappillai	16	,,	B. Narayana Pillai
5	,,	K. P. Kochukora Tarakan	17	,,	N. Nilakanta Pillai
6	,,	K. Krishnan Nayar	18	,,	R. Nilakanta Pillai
7	,,	N. K. Krishna Pillai	19	,,	N. K. Padmanabha Pillai
8	,,	Tariatu Kunjitomman	20	,,	Kayalam Paramesvaran Pillai
9	,,	K. P. Nilakanta Pillai	21	,,	S. C. H. Robinson
10	,,	R. Dhanukoti Pillai	22	,,	C. N. Srirenganatha Sastri
11	,,	K. George	23	,,	J. S. Westerdale
12	,,	A. Kumara Pillai			

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NEUTRAL -1.

Mr. K. P. Madhavan Pillai.

The amendment was declared lost, 8 voting *for* the amendment, 23 *against* and one remaining *neutral*.

DEPUTY PRESIDENT : It is already 5 o' clock. May I know from the members present here as to what time they will take in case we continue to-day, to finish the whole Bill? There is a proviso, there are 2 sub-clauses and Section 53 still to be considered.

MR. S. KRISHNA PILLAI (*Karunagapalli*) : Without offending my friend Mr. Nilakanta Pillai, I might submit that the amendments before the House are more controversial than those that have already been taken up.

DEPUTY PRESIDENT : What time will you take ?

MR. S. KRISHNA PILLAI (*Karunagapalli*) : About 3 or 4 hours.

DEPUTY PRESIDENT : So, even if we sit till 8 o' clock, it will not be possible to finish it. If the Government are keen about the Bill, they may allot an additional day for this business. As it is, it is not possible to finish it to-day. We will now adjourn and meet again on Monday.

The House adjourned at 5-1 P. M.

A. KUMARA PILLAI,
Secretary to the Legislative Council.

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